

Debtor(s).

Location: United States Bankruptcy Court, Courtroom "1545", 255 E. Temple Street, Los Angeles, CA 90012

F 6004-2.NOTICE.SALE

Overbid procedure (if any): Please see attached Notice.

If property is to be sold free and clear of liens or other interests, list date, time and location of hearing:

Date: January 13, 2015

Time: 2:00 p.m.

Place: United States Bankruptcy Court

Courtroom "1545"

255 E. Temple Street

Los Angeles, CA 90012

Contact person for potential bidders (include name, address, telephone, fax and/or email address):

Ron Bender, Esq., and Krikor J. Meshefejian, Esq.

Levene, Neale, Bender, Yoo & Brill L.L.P.

10250 Constellation Blvd., Suite 1700

Los Angeles, CA 90067

Tel: (310) 229-1234

Fax: (31) 229-1244

Email: RB@LNBYB.COM

KJM@LNBYB.COM

Date: 12/22/2014

1 RON BENDER (SBN 143364)
2 KRIKOR J. MESHEFEJIAN (SBN 255030)
3 LEVENE, NEALE, BENDER, YOO & BRILL L.L.P.
4 10250 Constellation Boulevard, Suite 1700
5 Los Angeles, California 90067
6 Telephone: (310) 229-1234; Facsimile: (310) 229-1244
7 Email: rb@lnbyb.com; kjm@lnbyb.com

8 Attorneys for Chapter 11 Debtor and Debtor in Possession

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11 **UNITED STATES BANKRUPTCY COURT**
12 **CENTRAL DISTRICT OF CALIFORNIA**
13 **LOS ANGELES DIVISION**
14

15 In re:

16 Saeed Cohen,

17 Debtor and Debtor in Possession.

Case No. 2:13-bk-26483-NB

Chapter 11

**NOTICE OF DEBTOR'S MOTION FOR
ENTRY OF AN ORDER: (A)
AUTHORIZING THE SALE OF THAT
CERTAIN REAL PROPERTY LOCATED
AT 622 N. ALPINE DRIVE, BEVERLY
HILLS, CA 90210 FREE AND CLEAR OF
LIENS, CLAIMS, ENCUMBRANCES AND
INTERESTS; (B) ESTABLISHING
BIDDING PROCEDURES AND SETTING
AUCTION HEARING; AND (C)
GRANTING RELATED RELIEF**

Hearing:

Date: January 13, 2015

Time: 2:00 p.m.

Place: Courtroom 1545

255 East Temple Street
Los Angeles, CA 90012

1 **PLEASE TAKE NOTICE** that on January 13, 2015, at 2:00 p.m., in Courtroom 1545
2 located at 255 East Temple Street, Los Angeles, CA 90012, the Honorable Neil W. Bason,
3 United States Bankruptcy Judge for the Central District of California, will hold a hearing to
4 considered the “*Debtor’s Motion For Entry Of An Order: (A) Authorizing The Sale Of That*
5 *Certain Real Property Located At 622 N. Alpine Drive, Beverly Hills, CA 90210 Free And Clear*
6 *Of Liens, Claims, Encumbrances And Interests; (B) Approving Bidding Procedures And Setting*
7 *Auction Hearing; And (C) Granting Related Relief*” (the “Motion”) filed by Saeed Cohen aka
8 Steve Cohen, the Chapter 11 debtor and debtor in possession herein.

9 **PLEASE TAKE FURTHER NOTICE** that the Motion is based upon this Notice, the
10 Motion, the Memorandum of Points and Authorities attached to the Motion, the Declaration of
11 Saeed Cohen filed in support of the Motion, the entire record of this case, and any other evidence
12 properly presented to the Court in support of the Motion.

13 **PLEASE TAKE FURTHER NOTICE** that, pursuant to Local Rule 9013-1(f), any
14 opposition to the Motion must be filed with the Clerk of the United States Bankruptcy Court and
15 be served upon the United States Trustee, as well as counsel for the Debtor at the address located
16 in the upper left-hand corner of the first page of this Notice, and counsel for the Official
17 Committee of Unsecured Creditors, by no later than fourteen (14) days prior to the hearing on
18 the Motion.

19 **PLEASE TAKE FURTHER NOTICE** that, pursuant to Local Rule 9013-1(h), the
20 failure to file and serve a timely response to the Motion may be deemed by the Court to be
21 consent to the granting of the relief requested in the Motion.

22 **SUMMARY OF THE MOTION**

23 By way of the Motion, the Debtor seeks Court approval to sell that certain residential real
24 property located at 622 N. Alpine Drive, Beverly Hills, CA 90210 (the “Alpine Home”), free and
25 clear of all liens, claims, encumbrances, and interests. The Alpine Home is an eight bedroom,
26 five bath, 8,900 square foot mansion in the highly desirable area of Beverly Hills, California,
27 commonly referred to as the “Beverly Hills flats.” The Debtor requests Court authority to sell
28 the Alpine Home in order to generate sale proceeds which would then be used to fund the

Debtor's \$9.5 million discounted pay off obligation owing to creditor OneWest Bank N.A., fka OneWest Bank, FSB ("OWB") pursuant to the settlement agreement the Debtor has entered into with OWB subject to the approval of this Court (the "Settlement Agreement").

OWB asserts a claim against the Debtor's estate in the amount of \$38,810,219.82 as of the Petition Date of June 25, 2013 on account of a guaranty the Debtor gave to OneWest's predecessor of a real estate loan for a real estate development project that was not successful and which resulted in a default by the underlying borrower. Pursuant to an order of the Court, the OWB claim constitutes a community claim within the meaning of section 101(7) of the Bankruptcy Code.

Fortunately, after months of negotiations following two full days of mediation, the Debtor and OWB have reached an agreement on a discounted payoff of the OWB claim. Under the Settlement Agreement, the Debtor is required to pay the cash sum to OWB of \$500,000 following the Court's approval of the Settlement Agreement, and the Debtor already has the cash available to make this initial payment. If the Debtor then pays to OWB the additional sum of \$9 million by January 31, 2015, OWB has agreed to accept this total payment of \$9.5 million in full settlement and satisfaction of its entire OWB claim. If the Debtor is not able to pay the entire additional \$9 million to OWB by January 31, 2015, the Debtor has the right to purchase a three-month extension of the January 31, 2015 payment date (i.e., to April 30, 2015) to pay the balance of the discounted payoff by making an extension fee payment to OWB of 3% of that portion of the remaining \$9 million which has not yet been paid to OWB by January 31, 2015. So if no additional payments beyond the initial \$500,000 have been made to OWB by January 31, 2015, this extension fee payment would be in the amount of \$270,000 (i.e., 3% of \$9 million). If the Debtor is still not able to pay the entire additional \$9 million to OWB by April 30, 2015, the Debtor has the right to purchase a second three-month extension of the January 31, 2015 payment date (i.e., to July 31, 2015) to pay the balance of the discounted payoff by making a second extension fee payment to OWB of 6% of that portion of the remaining \$9 million which has not yet been paid to OWB by April 30, 2015.

If the Debtor has not paid off the entire \$9 million by July 31, 2015, then the OWB claim

1 will be deemed an allowed general unsecured claim in the amount of \$20 million. Needless to
2 say, it is critically important for all parties in interest in this case to make sure that everything
3 possible is done to enable the Debtor to pay this \$9 million to OWB as soon as possible – but in
4 any event by July 31, 2015 (and ideally by April 30, 2015 to avoid the second 6% extension fee
5 as incurring the first 3% extension fee appears to be inevitable as paying this \$9 million to OWB
6 by January 31, 2015 seems very unlikely). The Debtor believes that the only practical and
7 sensible way to do this is for there to be an immediate sale of the very valuable Alpine Home,
8 which previously served as the Debtor's and Fariba's joint residence and currently (and for the
9 past number of years) has served as Fariba's residence as the Debtor rents an alternative place to
10 live. All parties agree that the Alpine Home is community property.

11 While the Debtor is sensitive to the fact that Fariba would like to remain in the Alpine
12 Home and, if possible, the Debtor would also prefer not to cause their children to have to move
13 to a different home, the Debtor believes that selling the Alpine Home now is the most logical
14 thing to do. The Debtor believes that, other than cash, the Alpine Home is the most liquid and
15 easily sellable asset of the Debtor's bankruptcy estate, and that, in order to meet the Debtor's
16 obligations to OWB under the Settlement Agreement, the Debtor must be able to consummate a
17 sale of the Alpine Home before April 30, 2015 (i.e., the date by when the second extension fee
18 payment is due to be paid to OWB). Contrary to Fariba's prior representation to this Court,
19 Fariba is not current on her debt obligations to Wells Fargo as confirmed by Wells Fargo (or
20 with respect to the payment of property taxes), and the reality is that Fariba cannot afford to
21 continue to live in the Alpine Home.

22 Given the financial predicament of this estate, there is no legitimate reason for Fariba to
23 continue to live in an almost 9,000 square foot home valued between \$9 and \$12 million at the
24 expense of the creditors of this estate. While Fariba lives in the Alpine Home, it is clear that the
25 Alpine Home is community property, constitutes property of the Debtor's bankruptcy estate, and
26 a debtor in possession is authorized to sell such property of the estate pursuant to 11 U.S.C. §
27 363(b), (f), and, to the extent applicable, (h). The Alpine Home does not generate income, and,
28 to the contrary, constitutes a large continuing expense which is not being paid current. Any

1 objective analysis of this estate would conclude that selling the Alpine Home as quickly as
2 possible for the most money possible is the most logical thing to do for this estate. Doing so will
3 enable this estate to pay off the OWB debt at the agreed upon discount and leave for this estate
4 the Elco Lighting company and the Lighton Property when those assets will presumably form the
5 cornerstones of any potential confirmed plan of reorganization in this case.¹

6 Pursuant to the Motion, the Debtor requests that the Court authorize potential buyers to
7 view and access the Alpine Home on certain designated “open-house” days with the approval of
8 the Debtor and the supervision of a Court-approved broker (which broker will either be picked
9 jointly by the Debtor, the Official Committee of Unsecured Creditors Holding Unsecured Claims
10 (the “Committee”), and Fariba; or, if no agreement can be reached, by Court order following the
11 submission by each constituency of its choice for real estate broker.

12 Pursuant to the Motion, the Debtor also requests that the Court establish an auction date
13 and time before this Court for potential buyers to bid for the purchase of the Alpine Home, and
14 establish the following bidding procedures:

- 15 1. In order to participate in the auction as an eligible bidder, the potential buyer must
16 demonstrate that he/she/it has the financial means to consummate the purchase and
17 the purchase is not subject to any remaining contingencies (including a financing
18 contingency) other than entry of a Court order approving the sale of the Alpine Home
19 to the buyer.
- 20 2. In addition, in order to participate in the auction as an eligible bidder, the potential
21 buyer will be required to deliver to the Debtor, Fariba and the Committee at least two
22 days before the auction sale its proposed form of written purchase agreement and
23 deliver to counsel for the Debtor a deposit in the amount of \$250,000 (in the form of

24
25 ¹ The Debtor, Fariba, and the Committee are presently involved in mediation efforts which the
26 Debtor is hopeful will ultimately result in a global settlement agreement. However, in the
27 meantime, the Debtor must still move this case forward, and lay the groundwork for ensuring
28 that the Debtor is able to comply with the terms of the Settlement Agreement with OWB. The
next scheduled mediation session will take place on January 9, 2015. To the extent the parties’
disputes settle, and such settlement does not involve the sale of the Alpine Home, the Debtor will
so indicate at the hearing on this Motion and make appropriate arrangements to ensure that this
Motion does not interfere with the terms of such a settlement agreement.

immediately good funds – meaning a wire transfer or cashier’s check), which counsel for the Debtor will maintain in a segregated trust account and return to the bidder if the bidder is not deemed by the Court to be the winning bidder at the auction sale.

3. The winning bidder at the auction sale must deliver to counsel for the Debtor by the close of business on the first business day following the auction sale an additional deposit (in the form of immediately good funds – meaning a wire transfer or cashier’s check) so that when coupled with the initial \$250,000 deposit equals 10% of the total purchase price. The winning bidder will have forty-five days to consummate its purchase and the failure to consummate its purchase timely will result in a forfeiture of the entire 10% deposit.

4. The auction sale must occur by March 10, 2015 to make sure the closing occurs in time for the net sale proceeds to be paid to OWB by April 30, 2015.

5. Unless a stalking horse bidder emerges which is approved by the Court in advance of the auction sale, the initial required bid at the auction sale will be \$9 million with bidding increments thereafter of at least \$10,000. If there is more than one qualified bidder, each bidder will be provided with a random bidding number and then the bidding will ensue in accordance with the bidding numbers, with each successive bidder being required to bid at least \$10,000 more than the prior bidder or drop out of the bidding.

If any of the bidders who are not the winning bidder are interested in serving as a back-up buyer, the Debtor requests the Court to approve one or more back up buyer at the conclusion of the auction.

The Debtor proposes to sell the Alpine Home free and clear of all liens, claims, encumbrances and interests pursuant to 11 U.S.C. § 363(f).

By way of the Motion, the Debtor is requesting the Court to enter an order providing for the sale proceeds to be distributed in the following manner:

1. All costs of sale, including brokers’ commissions (including payment of a 2% commission to the broker of the winning bidder at the auction sale), escrow fees, title

fees, and related charges and closing and selling costs will be paid in full through escrow.

2. The secured claims of the Los Angeles County Treasurer and Tax Collector related to any unpaid real property taxes for the Alpine Home will be paid in full through escrow.

3. The claim of Wells Fargo Bank secured by a first deed of trust against the Alpine Home, in the estimated amount of \$1,485,000, designated as item number 8 on the recent title report for the Alpine Home attached hereto as Exhibit "1" (the "Title Report"), will be paid in full through escrow;

4. The claim of Wells Fargo Bank secured by a second deed of trust against the Alpine Home, in the estimated amount of \$1,005,372, designated as item number 9 on the Title Report; and

5. The balance of the sale proceeds will be paid to OWB directly by the Debtor or through escrow, as determined by the Debtor.

As indicated in item number 11 of the Title Report, the IRS has recorded a lien against the Alpine Home to secure an asserted claim in the amount of approximately \$8,307,778. For all of the reasons set forth below, the Debtor submits that the IRS secured claim is adequately protected and will otherwise be paid in full. Moreover, since the claim of OWB appears to take priority over the IRS claim in a chapter 7 liquidation of the Debtor (and any best interest of creditors test in any plan of reorganization), the Debtor believes that IRS should share in the desires of the Debtor to get the OWB paid off at the discounted pay off amount as soon as possible and therefore should consent to the payment of the net sale proceeds from the sale of the Alpine Home to OWB.

As indicated in item number 12 of the Title Report, the State of California Franchise Tax Board recorded a tax lien against the Alpine Home in the amount of \$623,590 on January 21, 2014. In addition to the fact that the Debtor disputes owing this sum to the State of California (making this lien the subject of a bona fide dispute), the lien was recorded after the Petition Date

1 and therefore is void as being recorded in violation of the automatic stay of section 362 of the
2 Bankruptcy Code.

3 As indicated in item number 13 of the Title Report, the IRS recorded an additional tax
4 lien against the Alpine Home in the amount of \$1,376,784 on August 27, 2014. In addition to
5 the fact that the Debtor disputes owing this sum to the IRS (making this lien the subject of a bona
6 fide dispute), the lien was recorded after the Petition Date and therefore is void as being recorded
7 in violation of the automatic stay of section 362 of the Bankruptcy Code.

8 The Debtor proposes to sell the Alpine Home free and clear of any such claims and liens
9 of the IRS and the State of California Franchise Tax Board, as well as any other claimant which
10 asserts a lien against the Alpine Home. The Debtor also proposes to sell the Alpine Home free
11 and clear of any asserted interests of Fariba, pursuant to 11 U.S.C. § 363(f) and (h), to the extent
12 applicable.

13 The Debtor also requests Court authority to use the proceeds of the sale of the Alpine
14 Home after the payment of the claims listed above and closing costs, to fund the Debtor's
15 obligations under the Settlement Agreement with OWB.²

16 For all of the reasons set forth in the Motion, the Debtor believes that marketing and
17 selling the Alpine Home pursuant to a competitive auction free and clear of all liens, claims,
18 encumbrances, and interests is in the best interest of creditors and the Debtor's bankruptcy estate.

19 WHEREFORE, based upon all of the foregoing, the Debtor respectfully requests that the
20 Court:

- 21 1. Authorize the sale of the Alpine Home to the highest bidder at an auction sale to be
22 held before this Court at a date and time selected by this Court, free and clear of any
23 liens, claims, encumbrances, or interests in or against the Alpine Home within the
24 meaning of Section 363(f) of the Bankruptcy Code, and, to the extent applicable,
25 Section 363(h) of the Bankruptcy Code;

27 ² The Debtor reserves the right to defer the payment of capital gains tax on the sale of the Alpine
28 Home to a later date.

2. Establish the bidding procedures set forth above and set an auction hearing date and time;
3. Authorize potential buyers to view and access the Alpine Home on certain designated “open-house” days with the supervision of a Court-approved broker and the approval of the Debtor;
6. Authorize the Debtor to cause the escrow to distribute the sale proceeds in the manner described above;
7. Authorize the Debtor to convey good and marketable title to the Alpine Home to the successful bidder at the auction sale and to sign all necessary documents on behalf of both the Debtor and Fariba (unless Fariba voluntarily agrees to sign the necessary transfer documents);
8. Authorize the Debtor to take any and such actions as are necessary and appropriate to consummate the sale of the Alpine Home, including, but not limited to, the execution and delivery of sale and title documentation, and conveyance of title, on behalf of the Debtor and Fariba;
9. Waive the 14-day period provided for in the Federal Rule of Bankruptcy Procedure 6004(d) and (h); and
10. Grant such other and further relief as the Court deems just and proper.

Dated: December 22, 2014

SAEED COHEN

By: /s/ Ron Bender
RON BENDER
KRIKOR J. MESHEFEJIAN
LEVENE, NEALE, BENDER, YOO &
BRILL L.L.P.
Attorneys for Chapter 11 Debtor and Debtor
in Possession

EXHIBIT “1”



Fidelity National Title Company

PRELIMINARY REPORT

*In response to the application for a policy of title insurance referenced herein, **Fidelity National Title Company** hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a policy or policies of title insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an exception herein or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations or Conditions of said policy forms.*

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Attachment One. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Attachment One. Copies of the policy forms should be read. They are available from the office which issued this report.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

The policy(s) of title insurance to be issued hereunder will be policy(s) of Fidelity National Title Insurance Company, a California Corporation.

Please read the exceptions shown or referred to herein and the exceptions and exclusions set forth in Attachment One of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects and encumbrances affecting title to the land.

Countersigned by:

Cindy Fried

Authorized Signature



BY

ATTEST

[Signature] President

[Signature] Secretary

Authorized Signature



Fidelity National Title Company

5000 Van Nuys Blvd., Suite 500, Sherman Oaks, CA 91403
Phone: (818) 881-7800 • Fax: (818) 776-8528

PRELIMINARY REPORT

ORDER NO.: **00083130-994-VNO-SI**

LOAN NO.:

Escrow Officer: Van Nuys Title Only EO
Title Officer: Sheila Isham
Phone: (818) 758-5718
Fax: (818) 475-5013
Email: sisham@fnf.com

Keller Williams Realty
23670 Hawthorne Blvd., Suite 100
Torrance, CA 90505

ATTN: Darrow Fiedler
YOUR REF: 622 N. Alpine

PROPERTY: **622 North Alpine Drive, Beverly Hills, CA**

EFFECTIVE DATE: December 8, 2014 at 7:30 a.m.

The form of policy or policies of title insurance contemplated by this report is:

ALTA Homeowner's Policy of Title Insurance (12-2-13)
ALTA Extended Loan Policy (6-17-06)

1. THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

A Fee

2. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

Saeed Cohen and Fariba Cohen, Trustees of The Cohen Family Trust, dated November 25, 2002, subject to proceedings pending in the bankruptcy court where a petition for relief was filed.

Name of Debtor: Saeed Cohen
Date of Filing: June 25, 2013
U.S. District Court: Central District of California
Case No: 2:13-bk-26483-NB

3. THE LAND REFERRED TO IN THIS REPORT IS DESCRIBED AS FOLLOWS:

See Exhibit A attached hereto and made a part hereof.

SI/fj December 18, 2014

PRELIMINARY REPORT

YOUR REFERENCE: 622 N. Alpine

Fidelity National Title Company
ORDER NO.: 00083130-994-VNO-SI

EXHIBIT A

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

LOT 11 IN BLOCK 1 OF TRACT NO. 1907, IN THE CITY OF BEVERLY HILLS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 22 PAGE 137](#) OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: [4341-024-011](#)

[Plotted Easement](#)

PRELIMINARY REPORT

YOUR REFERENCE: 622 N. Alpine

Fidelity National Title Company
ORDER NO.: 00083130-994-VNO-SI**AT THE DATE HEREOF, ITEMS TO BE CONSIDERED AND EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN SAID POLICY FORM WOULD BE AS FOLLOWS:**

1. Property taxes, including any personal property taxes and any assessments collected with taxes are as follows:

Code Area: 02410
 Tax Identification No.: 4341-024-011
 Fiscal Year: 2014-2015
 1st Installment: \$22,011.46 Paid
 2nd Installment: \$22,011.44 Open
 Exemption: \$0.00
 Land: \$2,130,763.00
 Improvements: \$1,797,908.00
 Personal Property: \$0.00

2. The lien of supplemental or escaped assessments of property taxes, if any, made pursuant to the provisions of Chapter 3.5 (commencing with Section 75) or Part 2, Chapter 3, Articles 3 and 4, respectively, of the Revenue and Taxation Code of the State of California as a result of the transfer of title to the vestee named in Schedule A or as a result of changes in ownership or new construction occurring prior to Date of Policy.

Note: If said supplementals (if any) are not posted prior to the date of closing, this company assumes no liability for payment thereof.

3. Any liens or other assessments, bonds or special district liens, including without limitation, Community Facility Districts that arise by reason of any local City, Municipal or County Project or Special District.
4. Water rights, claims or title to water, whether or not disclosed by the public records.
5. Covenants, conditions and restrictions but omitting any covenants or restrictions, if any, including but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, source of income, gender, gender identity, gender expression, medical condition or genetic information, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as set forth in the document

Recording Date: March 17, 1914
 Recording No: [Book 5692, Page 276](#), of Deeds

6. An oil and gas lease for the term therein provided with certain covenants, conditions and provisions, together with easements, if any, as set forth therein.

Dated: As provided therein
 Lessor: William E. Hooker and Ruth Beasley Hooker
 Lessee: Standard Oil Company of California, a corporation
 Recording Date: August 15, 1966
 Recording No: [2527](#), of Official Records

No insurance is made as to the present ownership of the leasehold created by said lease, nor as to other matters affecting the rights or interests of the lessor or lessee in said lease.

Said lease affects that portion of said Land lying below a depth of 500 feet from the surface thereof.

Said lease provides for no right of surface entry.

PRELIMINARY REPORT

YOUR REFERENCE: 622 N. Alpine

Fidelity National Title Company

ORDER NO.: 00083130-994-VNO-SI

EXCEPTIONS
(Continued)

7. Any rights, interests or claims which may exist or arise by reason of the following matters disclosed by an inspection or survey

Pole lines affecting the Northeasterly 5 feet of said land

8. A deed of trust to secure an indebtedness in the amount shown below,

Amount: \$1,500,000.00
 Dated: April 17, 2006
 Trustor/Grantor: Saeed Cohen and Fariba Cohen, Trustees of The Cohen Family Trust, dated November 29, 2002
 Trustee: Fidelity National Title Insurance Company
 Beneficiary: Wells Fargo Bank, N.A.
 Loan No.: As provided therein
 Recording Date: April 26, 2006
 Recording No: [06-0913465](#), of Official Records

An assignment of the beneficial interest under said deed of trust which names:

Assignee: HSBC Bank ISA, National Association as Trustee for Wells Fargo Asset Securities Corporation, Mortgage Pass-Through Certificates Series 2006-AR10
 Loan No.: As provided therein
 Recording Date: July 11, 2013
 Recording No: [20131023976](#), of Official Records

9. A deed of trust to secure an indebtedness in the amount shown below,

Amount: \$1,000,000.00
 Dated: April 18, 2006
 Trustor/Grantor: Saeed Cohen and Fariba Cohen, Trustees of The Cohen Family Trust, dated November 25, 2002
 Trustee: American Securities Company
 Beneficiary: Wells Fargo Bank, N.A.
 Loan No.: As provided therein
 Recording Date: April 26, 2006
 Recording No: [06-0913466](#), of Official Records

The Deed of Trust set forth above is purported to be a "Credit Line" Deed of Trust. It is a requirement that the Trustor/Grantor of said Deed of Trust provide written authorization to close said credit line account to the Lender when the Deed of Trust is being paid off through the Company or other Settlement/Escrow Agent or provide a satisfactory subordination of this Deed of Trust to the proposed Deed of Trust to be recorded at closing.

10. A judgment for installment payments of spousal and/or child support, to be made by:

Debtor: Saeed Cohen
 Creditor: Fariba Cohen
 Date entered: October 11, 2011
 County: Los Angeles
 Court: Superior
 Case No.: BD 495 060
 Recording Date: December 20, 2011
 Recording No: [20111727832](#), of Official Records

PRELIMINARY REPORT

YOUR REFERENCE: 622 N. Alpine

Fidelity National Title Company
ORDER NO.: 00083130-994-VNO-SI**EXCEPTIONS**
(Continued)

11. A tax lien for the amount shown and any other amounts due, in favor of the United States of America, assessed by the District Director of Internal Revenue.

Federal Serial No.: 862706612
 Taxpayer: Saeed Cohen
 Amount: \$8,307,778.75
 Recording Date: April 19, 2012
 Recording No: [20120587832](#), of Official Records

12. A state tax lien for the amount shown and any other amounts due,

State Identification No: 14017651647
 Filed by: State of California Franchise Tax Board
 Taxpayer: Fariba E. Cohen
 Amount: \$623,590.94
 Recording Date: January 21, 2014
 Recording No: [20140061589](#), of Official Records

13. A tax lien for the amount shown and any other amounts due, in favor of the United States of America, assessed by the District Director of Internal Revenue.

Federal Serial No.: 115436814
 Taxpayer: Fariba Ely Cohen
 Amount: \$1,376,784.58
 Recording Date: August 27, 2014
 Recording No: [20140899048](#), of Official Records

14. Any defect or invalidity of the title to said Land arising out of or occasioned by a violation of the Bankruptcy Code.

15. Any invalidity or defect in the title of the vestees in the event that the trust referred to herein is invalid or fails to grant sufficient powers to the trustee(s) or in the event there is a lack of compliance with the terms and provisions of the trust instrument.

If title is to be insured in the trustee(s) of a trust, (or if their act is to be insured), this Company will require a Trust Certification pursuant to California Probate Code Section 18100.5.

The Company reserves the right to add additional items or make further requirements after review of the requested documentation.

PRELIMINARY REPORT

YOUR REFERENCE: 622 N. Alpine

Fidelity National Title Company
ORDER NO.: 00083130-994-VNO-SI**EXCEPTIONS**
(Continued)

16. The Company will require a current Trust Certification, pursuant to California Probate Code Section 18100.5, confirming the following facts and containing the following information:
1. Date of execution and continued existence of the Trust;
 2. Identity of the Settlor(s)/Trustor(s) and the currently acting Trustee(s);
 3. Powers of the Trustee(s);
 4. Whether the Trust is revocable or not and, if revocable, who holds the power to revoke the Trust;
 5. If there are multiple trustees, the signature authority of the Trustees, including how many of the trustees are required to exercise powers of the Trust;
 6. The Trust Identification Number usually a Social Security Number or an Employer Identification Number;
 7. The manner in which title to Trust assets should be held;
 8. The legal description of any interest in real property held in the trust; and
 9. The Certificate of Trust must contain a statement that the trust has not been revoked, modified, or amended so as to cause the representations to be incorrect and that it is being signed by all current Trustee(s) in the form of an acknowledged declaration.

Note: If an Affidavit of Death of a Trustee or Co-Trustee was or will be recorded, the signing successor or Surviving Trustee(s) must have the right to exercise the powers of the Trust.

The Company reserves the right to add additional items or make further requirements after receipt of the Trust Certification

17. The transaction contemplated in connection with this Report is subject to the review and approval of the Company's Corporate Underwriting Department. The Company reserves the right to add additional items or make further requirements after such review.
18. In order to complete this report, the Company requires a Statement of Information to be completed by the following party(s),

Party(s): All parties

The Company reserves the right to add additional items or make further requirements after review of the requested Statement of Information.

NOTE: The Statement of Information is necessary to complete the search and examination of title under this order. Any title search includes matters that are indexed by name only, and having a completed Statement of Information assists the Company in the elimination of certain matters which appear to involve the parties but in fact affect another party with the same or similar name. Be assured that the Statement of Information is essential and will be kept strictly confidential to this file.

19. Your application for title insurance was placed by reference to only a street address or tax identification number. Based on our records, we believe that the legal description in this report covers the parcel(s) of Land that you requested. If the legal description is incorrect, the seller/borrower must notify the Company and/or the settlement company in order to prevent errors and to be certain that the correct parcel(s) of Land will appear on any documents to be recorded in connection with this transaction and on the policy of title insurance.
20. Matters which may be disclosed by an inspection and/or by a correct ALTA/ACSM Land Title Survey of said land that is satisfactory to this Company, and/or by inquiry of the parties in possession thereof.

An inspection of said land is required for our A.L.T.A. Loan Policy.

Note: PLEASE CONTACT THIS COMPANY TO ARRANGE AN APPOINTMENT FOR THE NECESSARY INSPECTION.

PRELIMINARY REPORT

YOUR REFERENCE: 622 N. Alpine

Fidelity National Title Company
ORDER NO.: 00083130-994-VNO-SI

EXCEPTIONS
(Continued)

END OF ITEMS

NOTES

1. Note: The Company is not aware of any matters which would cause it to decline to attach CLTA Endorsement Form 116 indicating that there is located on said land a Single Family Dwelling known as 622 North Alpine Drive, Beverly Hills, California 90210, to an Extended Coverage Loan Policy.
2. Note: There are NO conveyances affecting said Land recorded within 24 months of the date of this report.
3. Unless this company is in receipt of WRITTEN instructions authorizing a particular policy, Fidelity Title will AUTOMATICALLY issue the American Land Title Association Homeowner's Policy (02/03/10) for all qualifying residential 1-4 properties/transactions to insure the buyer at the close of escrow.
4. Note: The policy of title insurance will include an arbitration provision. The Company or the insured may demand arbitration. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. Please ask your escrow or title officer for a sample copy of the policy to be issued if you wish to review the arbitration provisions and any other provisions pertaining to your Title Insurance coverage.
5. If a county recorder, title insurance company, escrow company, real estate broker, real estate agent or association provides a copy of a declaration, governing document or deed to any person, California law requires that the document provided shall include a statement regarding any unlawful restrictions. Said statement is to be in at least 14-point bold face type and may be stamped on the first page of any document provided or included as a cover page attached to the requested document. Should a party to this transaction request a copy of any document reported herein that fits this category, the statement is to be included in the manner described.
6. Any documents being executed in conjunction with this transaction must be signed in the presence of an authorized Company employee, an authorized employee of an agent, an authorized employee of the insured lender, or by using Bancserv or other approved thirdparty service. If the above requirements cannot be met, please call the Company at the number provided in this report
7. Amended Civil Code Section 2941, which becomes effective on January 1, 2002, sets the fee for the processing and recordation of the reconveyance of each Deed of Trust being paid off through this transaction at \$45.00. The reconveyance fee must be clearly set forth in the Beneficiary's Payoff Demand Statement ("Demand"). In addition, an assignment or authorized release of that fee, from the Beneficiary to the Trustee of record, must be included. An example of the required language is as follows:

The Beneficiary identified above hereby assigns, releases or transfers to the Trustee of record, the sum of \$45.00, included herein as 'Reconveyance Fees', for the processing and recordation of the Reconveyance of the Deed of Trust securing the indebtedness covered hereby, and the escrow company or title company processing this pay-off is authorized to deduct the Reconveyance Fee from this Demand and forward said fee to the Trustee of record or the successor Trustee under the Trust Deed to be paid off in full.

In the event that the reconveyance fee and the assignment, release or transfer are not included within the demand statement, then Fidelity National Title Insurance Company and its Underwritten Agent may decline to process the reconveyance and will be forced to return all documentation directly to the Beneficiary for compliance with the requirements of the revised statute.

8. Note: Part of the RESPA Rule to simplify and Improve the Process of Obtaining Mortgages and Reduce Consumer Settlement Costs requires the settlement agent to disclose the agent and underwriter split of title premiums, including endorsements as follows:

Line 1107 is used to record the amount of the total title insurance premium, including endorsements, that is retained by the title agent. Fidelity National Title Company retains 88% of the total premium and endorsements.

PRELIMINARY REPORT

YOUR REFERENCE: 622 N. Alpine

Fidelity National Title Company

ORDER NO.: 00083130-994-VNO-SI

NOTES
(Continued)

END OF NOTES

**FIDELITY NATIONAL FINANCIAL
PRIVACY NOTICE**

Fidelity National Financial, Inc. and its majority-owned subsidiary companies providing real estate- and loan-related services (collectively, “FNF”, “our” or “we”) respect and are committed to protecting your privacy. This Privacy Notice lets you know how and for what purposes your Personal Information (as defined herein) is being collected, processed and used by FNF. We pledge that we will take reasonable steps to ensure that your Personal Information will only be used in ways that are in compliance with this Privacy Notice.

This Privacy Notice is only in effect for any generic information and Personal Information collected and/or owned by FNF, including collection through any FNF website and any online features, services and/or programs offered by FNF (collectively, the “Website”). This Privacy Notice is not applicable to any other web pages, mobile applications, social media sites, email lists, generic information or Personal Information collected and/or owned by any entity other than FNF.

Collection and Use of Information

The types of personal information FNF collects may include, among other things (collectively, “Personal Information”): (1) contact information (e.g., name, address, phone number, email address); (2) demographic information (e.g., date of birth, gender marital status); (3) Internet protocol (or IP) address or device ID/UDID; (4) social security number (SSN), student ID (SIN), driver’s license, passport, and other government ID numbers; (5) financial account information; and (6) information related to offenses or criminal convictions.

In the course of our business, we may collect Personal Information about you from the following sources:

- Applications or other forms we receive from you or your authorized representative;
- Information we receive from you through the Website;
- Information about your transactions with or services performed by us, our affiliates, or others; and
- From consumer or other reporting agencies and public records maintained by governmental entities that we either obtain directly from those entities, or from our affiliates or others.

Information collected by FNF is used for three main purposes:

- To provide products and services to you or one or more third party service providers (collectively, “Third Parties”) who are obtaining services on your behalf or in connection with a transaction involving you.
- To improve our products and services that we perform for you or for Third Parties.
- To communicate with you and to inform you about FNF’s, FNF’s affiliates and third parties’ products and services.

Additional Ways Information is Collected Through the Website

Browser Log Files. Our servers automatically log each visitor to the Website and collect and record certain information about each visitor. This information may include IP address, browser language, browser type, operating system, domain names, browsing history (including time spent at a domain, time and date of your visit), referring/exit web pages and URLs, and number of clicks. The domain name and IP address reveal nothing personal about the user other than the IP address from which the user has accessed the Website.

Cookies. From time to time, FNF or other third parties may send a “cookie” to your computer. A cookie is a small piece of data that is sent to your Internet browser from a web server and stored on your computer’s hard drive and that can be re-sent to the serving website on

subsequent visits. A cookie, by itself, cannot read other data from your hard disk or read other cookie files already on your computer. A cookie, by itself, does not damage your system. We, our advertisers and other third parties may use cookies to identify and keep track of, among other things, those areas of the Website and third party websites that you have visited in the past in order to enhance your next visit to the Website. You can choose whether or not to accept cookies by changing the settings of your Internet browser, but some functionality of the Website may be impaired or not function as intended. See the Third Party Opt Out section below.

Web Beacons. Some of our web pages and electronic communications may contain images, which may or may not be visible to you, known as Web Beacons (sometimes referred to as “clear gifs”). Web Beacons collect only limited information that includes a cookie number; time and date of a page view; and a description of the page on which the Web Beacon resides. We may also carry Web Beacons placed by third party advertisers. These Web Beacons do not carry any Personal Information and are only used to track usage of the Website and activities associated with the Website. See the Third Party Opt Out section below.

Unique Identifier. We may assign you a unique internal identifier to help keep track of your future visits. We may use this information to gather aggregate demographic information about our visitors, and we may use it to personalize the information you see on the Website and some of the electronic communications you receive from us. We keep this information for our internal use, and this information is not shared with others.

Third Party Opt Out. Although we do not presently, in the future we may allow third-party companies to serve advertisements and/or collect certain anonymous information when you visit the Website. These companies may use non-personally identifiable information (e.g., click stream information, browser type, time and date, subject of advertisements clicked or scrolled over) during your visits to the Website in order to provide advertisements about products and services likely to be of greater interest to you. These companies typically use a cookie or third party Web Beacon to collect this information, as further described above. Through these technologies, the third party may have access to and use non-personalized information about your online usage activity.

You can opt-out of online behavioral services through any one of the ways described below. After you opt-out, you may continue to receive advertisements, but those advertisements will no longer be as relevant to you.

- You can opt-out via the Network Advertising Initiative industry opt-out at <http://www.networkadvertising.org/>.
- You can opt-out via the Consumer Choice Page at www.aboutads.info.
- For those in the U.K., you can opt-out via the IAB UK’s industry opt-out at www.youronlinechoices.com.
- You can configure your web browser (Chrome, Firefox, Internet Explorer, Safari, etc.) to delete and/or control the use of cookies.

More information can be found in the Help system of your browser. Note: If you opt-out as described above, you should not delete your cookies. If you delete your cookies, you will need to opt-out again.

When Information Is Disclosed By FNF

We may provide your Personal Information (excluding information we receive from consumer or other credit reporting agencies) to various individuals and companies, as permitted by law, without obtaining your

prior authorization. Such laws do not allow consumers to restrict these disclosures. Disclosures may include, without limitation, the following:

- To agents, brokers, representatives, or others to provide you with services you have requested, and to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure in connection with an insurance transaction;
- To third-party contractors or service providers who provide services or perform marketing services or other functions on our behalf;
- To law enforcement or other governmental authority in connection with an investigation, or civil or criminal subpoenas or court orders; and/or
- To lenders, lien holders, judgment creditors, or other parties claiming an encumbrance or an interest in title whose claim or interest must be determined, settled, paid or released prior to a title or escrow closing.

In addition to the other times when we might disclose information about you, we might also disclose information when required by law or in the good-faith belief that such disclosure is necessary to: (1) comply with a legal process or applicable laws; (2) enforce this Privacy Notice; (3) respond to claims that any materials, documents, images, graphics, logos, designs, audio, video and any other information provided by you violates the rights of third parties; or (4) protect the rights, property or personal safety of FNF, its users or the public.

We maintain reasonable safeguards to keep the Personal Information that is disclosed to us secure. We provide Personal Information and non-Personal Information to our subsidiaries, affiliated companies, and other businesses or persons for the purposes of processing such information on our behalf and promoting the services of our trusted business partners, some or all of which may store your information on servers outside of the United States. We require that these parties agree to process such information in compliance with our Privacy Notice or in a similar, industry-standard manner, and we use reasonable efforts to limit their use of such information and to use other appropriate confidentiality and security measures. The use of your information by one of our trusted business partners may be subject to that party's own Privacy Notice. We do not, however, disclose information we collect from consumer or credit reporting agencies with our affiliates or others without your consent, in conformity with applicable law, unless such disclosure is otherwise permitted by law.

We also reserve the right to disclose Personal Information and/or non-Personal Information to take precautions against liability, investigate and defend against any third-party claims or allegations, assist government enforcement agencies, protect the security or integrity of the Website, and protect the rights, property, or personal safety of FNF, our users or others.

We reserve the right to transfer your Personal Information, as well as any other information, in connection with the sale or other disposition of all or part of the FNF business and/or assets. We also cannot make any representations regarding the use or transfer of your Personal Information or other information that we may have in the event of our bankruptcy, reorganization, insolvency, receivership or an assignment for the benefit of creditors, and you expressly agree and consent to the use and/or transfer of your Personal Information or other information in connection with a sale or transfer of some or all of our assets in any of the above described proceedings. Furthermore, we cannot and will not be responsible for any breach of security by any third parties or for any actions of any third parties that receive any of the information that is disclosed to us.

Information from Children

We do not collect Personal Information from any person that we know to be under the age of thirteen (13). Specifically, the Website is not intended or designed to attract children under the age of thirteen (13). You affirm that you are either more than 18 years of age, or an emancipated minor, or possess legal parental or guardian consent, and are fully able and competent to enter into the terms, conditions, obligations, affirmations, representations, and warranties set forth in this Privacy Notice, and to abide by and comply with this Privacy Notice. In any case, you affirm that you are over the age of 13, as **THE WEBSITE IS NOT INTENDED FOR CHILDREN UNDER 13 THAT ARE UNACCOMPANIED BY HIS OR HER PARENT OR LEGAL GUARDIAN.**

Parents should be aware that FNF's Privacy Notice will govern our use of Personal Information, but also that information that is voluntarily given by children – or others – in email exchanges, bulletin boards or the like may be used by other parties to generate unsolicited communications. FNF encourages all parents to instruct their children in the safe and responsible use of their Personal Information while using the Internet.

Privacy Outside the Website

The Website may contain various links to other websites, including links to various third party service providers. FNF is not and cannot be responsible for the privacy practices or the content of any of those other websites. Other than under agreements with certain reputable organizations and companies, and except for third party service providers whose services either we use or you voluntarily elect to utilize, we do not share any of the Personal Information that you provide to us with any of the websites to which the Website links, although we may share aggregate, non-Personal Information with those other third parties. Please check with those websites in order to determine their privacy policies and your rights under them.

European Union Users

If you are a citizen of the European Union, please note that we may transfer your Personal Information outside the European Union for use for any of the purposes described in this Privacy Notice. By providing FNF with your Personal Information, you consent to both our collection and such transfer of your Personal Information in accordance with this Privacy Notice.

Choices with Your Personal Information

Whether you submit Personal Information to FNF is entirely up to you. You may decide not to submit Personal Information, in which case FNF may not be able to provide certain services or products to you.

You may choose to prevent FNF from disclosing or using your Personal Information under certain circumstances ("opt out"). You may opt out of any disclosure or use of your Personal Information for purposes that are incompatible with the purpose(s) for which it was originally collected or for which you subsequently gave authorization by notifying us by one of the methods at the end of this Privacy Notice. Furthermore, even where your Personal Information is to be disclosed and used in accordance with the stated purposes in this Privacy Notice, you may elect to opt out of such disclosure to and use by a third party that is not acting as an agent of FNF. As described above, there are some uses from which you cannot opt-out.

Please note that opting out of the disclosure and use of your Personal Information as a prospective employee may prevent you from being hired as an employee by FNF to the extent that provision of your Personal Information is required to apply for an open position.

If FNF collects Personal Information from you, such information will not be disclosed or used by FNF for purposes that are incompatible with the purpose(s) for which it was originally collected or for which you subsequently gave authorization unless you affirmatively consent to such disclosure and use.

You may opt out of online behavioral advertising by following the instructions set forth above under the above section "Additional Ways That Information Is Collected Through the Website," subsection "Third Party Opt Out."

Access and Correction

To access your Personal Information in the possession of FNF and correct inaccuracies of that information in our records, please contact us in the manner specified at the end of this Privacy Notice. We ask individuals to identify themselves and the information requested to be accessed and amended before processing such requests, and we may decline to process requests in limited circumstances as permitted by applicable privacy legislation.

Your California Privacy Rights

Under California's "Shine the Light" law, California residents who provide certain personally identifiable information in connection with obtaining products or services for personal, family or household use are entitled to request and obtain from us once a calendar year information about the customer information we shared, if any, with other businesses for their own direct marketing uses. If applicable, this information would include the categories of customer information and the names and addresses of those businesses with which we shared customer information for the immediately prior calendar year (e.g., requests made in 2013 will receive information regarding 2012 sharing activities).

To obtain this information on behalf of FNF, please send an email message to privacy@fnf.com with "Request for California Privacy Information" in the subject line and in the body of your message. We will provide the requested information to you at your email address in response.

Please be aware that not all information sharing is covered by the "Shine the Light" requirements and only information on covered sharing will be included in our response.

Additionally, because we may collect your Personal Information from time to time, California's Online Privacy Protection Act requires us to disclose how we respond to "do not track" requests and other similar mechanisms. Currently, our policy is that we do not recognize "do not track" requests from Internet browsers and similar devices.

Your Consent to This Privacy Notice

By submitting Personal Information to FNF, you consent to the collection and use of information by us as specified above or as we otherwise see fit, in compliance with this Privacy Notice, unless you inform us otherwise by means of the procedure identified below. If we decide to change this Privacy Notice, we will make an effort to post those changes on the Website. Each time we collect information from you following any amendment of this Privacy Notice will signify your assent to and acceptance of its revised terms for all previously collected information and information collected from you in the future. We may use comments, information or feedback that you may submit in any manner that we may choose without notice or compensation to you.

If you have additional questions or comments, please let us know by sending your comments or requests to:

Fidelity National Financial, Inc.
601 Riverside Avenue
Jacksonville, Florida 32204
Attn: Chief Privacy Officer
(888) 934-3354
privacy@fnf.com

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EFFECTIVE AS OF: JANUARY 24, 2014

LAST UPDATED: JANUARY 24, 2014

Notice of Available Discounts

Pursuant to Section 2355.3 in Title 10 of the California Code of Regulations Fidelity National Financial, Inc. and its subsidiaries ("FNF") must deliver a notice of each discount available under our current rate filing along with the delivery of escrow instructions, a preliminary report or commitment. Please be aware that the provision of this notice does not constitute a waiver of the consumer's right to be charged the field rate. As such, your transaction may not qualify for the below discounts.

You are encouraged to discuss the applicability of one or more of the below discounts with a Company representative. These discounts are generally described below; consult the rate manual for a full description of the terms, conditions and requirements for each discount. These discounts only apply to transaction involving services rendered by the FNF Family of Companies. This notice only applies to transactions involving property improved with a one-to-four family residential dwelling.

FNF Underwritten Title Company

FNTC - Fidelity National Title Company

FNTCCA – Fidelity National Title Company of California

FNF Underwriter

FNTIC - Fidelity National Title Insurance Company

Available Discounts

CREDIT FOR PRELIMINARY REPORTS AND/OR COMMITMENTS ON SUBSEQUENT POLICIES (FNTIC)

Where no major change in the title has occurred since the issuance of the original report or commitment, the order may be reopened within 12 months and all or a portion of the charge previously paid for the report or commitment may be credited on a subsequent policy charge within the following time period from the date of the report.

DISASTER LOANS (FNTIC)

The charge for a lender's Policy (Standard or Extended coverage) covering the financing or refinancing by an owner of record, within 24 months of the date of a declaration of a disaster area by the government of the United States or the State of California on any land located in said area, which was partially or totally destroyed in the disaster, will be 50% of the appropriate title insurance rate.

CHURCHES OR CHARITABLE NON-PROFIT ORGANIZATIONS (FNTIC)

On properties used as a church or for charitable purposes within the scope of the normal activities of such entities, provided said charge is normally the church's obligation the charge for an owner's policy shall be 50% to 70% of the appropriate title insurance rate, depending on the type of coverage selected. The charge for a lender's policy shall be 40% to 50% of the appropriate title insurance rate, depending on the type of coverage selected.

Attachment One (Revised 06-05-14)

**CALIFORNIA LAND TITLE ASSOCIATION
STANDARD COVERAGE POLICY – 1990 (04-08-14)**

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE—SCHEDULE B, PART I

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
- Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
 3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.
 4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
 5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
 6. Any lien or right to a lien for services, labor or material not shown by the public records.

**CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (12-02-13)
ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE**

EXCLUSIONS

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
 - a. building;
 - b. zoning;
 - c. land use;
 - d. improvements on the Land;
 - e. land division; and
 - f. environmental protection.

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.

2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
 3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
 4. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
 - b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
 - c. that result in no loss to You; or
 - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
 5. Failure to pay value for Your Title.
 6. Lack of a right:
 - a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - b. in streets, alleys, or waterways that touch the Land.
- This Exclusion does not limit the coverage described in Covered Risk 11 or 21.
7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.
 8. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
 9. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

- For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	<u>Your Deductible Amount</u>	<u>Our Maximum Dollar Limit of Liability</u>
Covered Risk 16:	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$10,000.00
Covered Risk 18:	1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 19:	1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 21:	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$5,000.00

2006 ALTA LOAN POLICY (06-17-06) EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13 or 14); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.

6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

Except as provided in Schedule B - Part II, this policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, that arise by reason of:

PART I

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records.

PART II

In addition to the matters set forth in Part I of this Schedule, the Title is subject to the following matters, and the Company insures against loss or damage sustained in the event that they are not subordinate to the lien of the Insured Mortgage:

2006 ALTA OWNER'S POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

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This policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, that arise by reason of: The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown in the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and that are not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records.
7. Variable exceptions such as taxes, easements, CC&R's, etc. shown here.

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (12-02-13)

EXCLUSIONS FROM COVERAGE

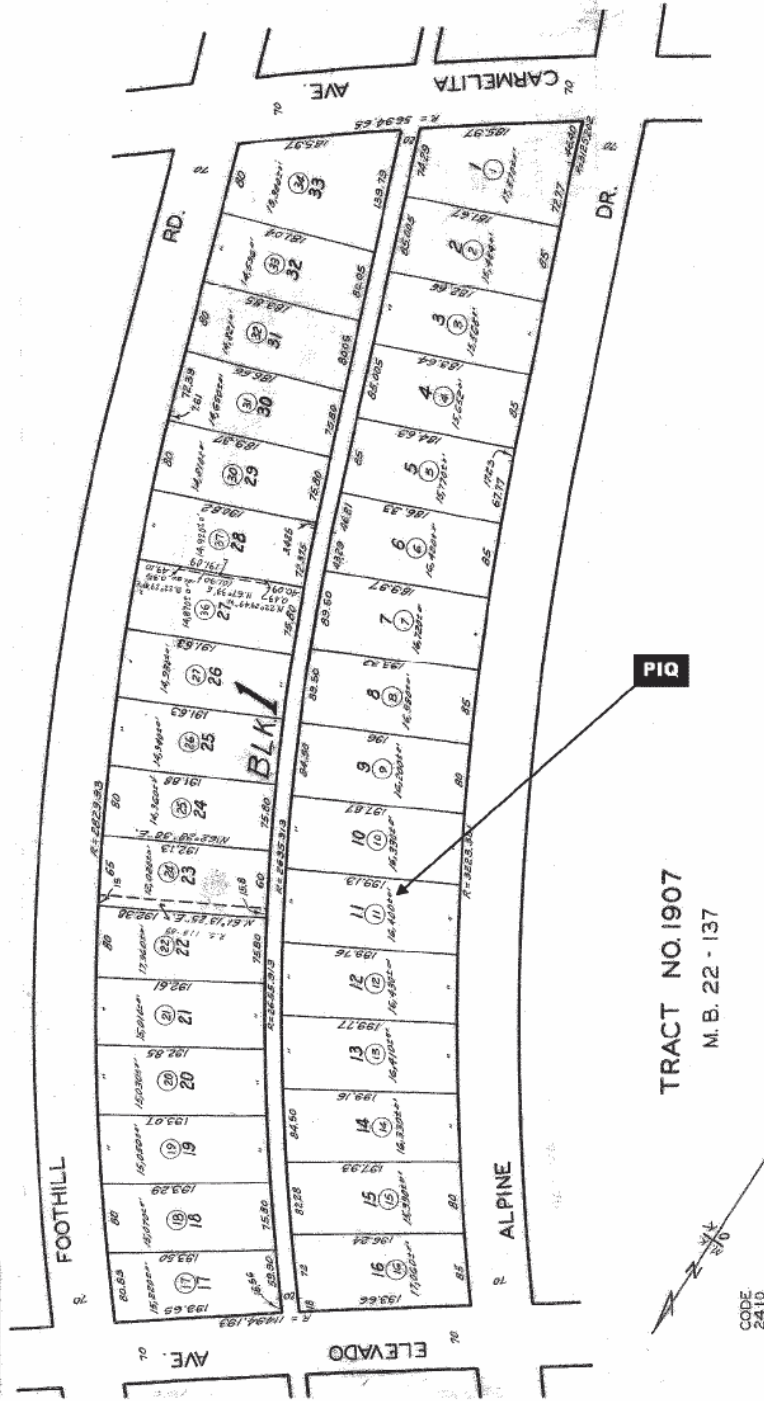
The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.
10. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
11. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

6-21-56
1002 AS 1/18 2002
2002-15 218 2002-07

2002

4341 24
SCALE 1" = 100'



ASSISTANT MAP
COUNTY OF LOS ANGELES, CALIF.

Public Record

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: 10250 Constellation Boulevard, Suite 1700, Los Angeles, CA 90067

A true and correct copy of the foregoing document entitled: **NOTICE OF SALE OF ESTATE PROPERTY** will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On **December 22, 2014**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

- Simon Aron saron@wrslawyers.com
- Todd M Bailey todd.bailey@ftb.ca.gov
- Ron Bender rb@lnbyb.com
- Mikel R Bistrow bistrowm@ballardspahr.com, burkec@ballardspahr.com
- Gary O Caris gcaris@mckennalong.com, comeara@mckennalong.com
- Kathryn M.S. Catherwood kcatherwood@foley.com, vgoldsmith@foley.com
- Christopher Celentino celentinoc@ballardspahr.com, burkec@ballardspahr.com
- Thomas Coker Thomas.coker@usdoj.gov
- Brian L Davidoff bdavidoff@greenbergglusker.com, kwoodson@greenbergglusker.com;calendar@greenbergglusker.com;jking@greenbergglusker.com
- Joseph A Eisenberg jae@jmbm.com, vr@jmbm.com;tgeher@jmbm.com;bt@jmbm.com;jae@ecf.inforuptcy.com
- Denice Gaucin denice@evict123.com
- Michael S Greger mgreger@allenmatkins.com
- Lesley A Hawes lhawes@mckennalong.com, comeara@mckennalong.com
- Kenneth Hennesay khennesay@allenmatkins.com
- Elsa M Horowitz ehorowitz@wrslawyers.com
- Dare Law dare.law@usdoj.gov
- Stephen Lew stephen.lew@doj.ca.gov
- Krikor J Meshefejian kjm@lnbrb.com
- Dawn A Messick messickd@ballardspahr.com, burkec@ballardspahr.com
- Courtney E Pozmantier cpozmantier@greenbergglusker.com, kwoodson@greenbergglusker.com;jking@greenbergglusker.com;calendar@greenbergglusker.com
- Kurt Ramlo kr@lnbyb.com
- Susan K Seflin sseflin@ebg-law.com
- Ramesh Singh claims@recoverycorp.com
- Michael W Tan michael.w.tan@irsounsel.treas.gov
- United States Trustee (LA) ustpregion16.la.ecf@usdoj.gov
- Sharon Z. Weiss sharon.weiss@bryancave.com, raul.morales@bryancave.com
- Johnny White JWhite@wrslawyers.com, Dvazquez@wrslawyers.com;CDanglade@wrslawyers.com;MDryer@wrslawyers.com
- Reilly D Wilkinson rwilkinson@scheerlawgroup.com
- Gilbert R Yabes ch11ecf@piteduncan.com, GRY@ecf.inforuptcy.com
- Hatty K Yip hatty.yip@usdoj.gov
- Beth Ann R Young bry@lnbyb.com

2. **SERVED BY UNITED STATES MAIL:** On **December 22, 2014**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

3. **SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL** (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on **December 22, 2014**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Served via Attorney Service

Hon. Neil W. Bason
United States Bankruptcy Court
Edward R. Roybal Federal Building
255 E. Temple Street, Ctrm 1545
Los Angeles, CA 90012

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

December 22, 2014
Date

Stephanie Reichert
Type Name

/s/ Stephanie Reichert
Signature